

# **Florida Supreme Court Office of Inspector General**



## **Annual Audit Plan for the Florida State Courts System Fiscal Year 2021-2022**

**June 30, 2021**

June 14, 2021

The Honorable Charles T. Canady  
Chief Justice  
Supreme Court of Florida  
500 South Duval Street  
Tallahassee, Florida 32399-1925

Dear Chief Justice Canady:

In accordance with Section 20.055, Florida Statutes, the Office of Inspector General has prepared the audit plan for fiscal year 2021-2022. A risk assessment was performed to include broad coverage of programs and functions, and includes input received from executive and senior management. The audit plan is designed to respond to changing conditions and emerging risks as needed.

The annual and long-term audit plans are included on the following pages. With your approval, to include any applicable travel, we will implement the audit plan and provide a copy to the Florida Office of the Auditor General.

We look forward to working with management of the State Courts System in implementing the audit plan. Thank you for your continued support.

Respectfully,



Millicent Burns, CPA, CIA, CFE, CGFM, CISA, CIG, FCCM  
Inspector General

Approved by:



Charles T. Canady  
Chief Justice  
Supreme Court of Florida

6/14/21  
Date

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## **Introduction**

The Office of Inspector General (OIG) is established pursuant to Section 20.055, Florida Statutes, to provide a central point for the coordination of, and responsibility for, activities that promote accountability, integrity, and efficiency in the State Courts System.

The OIG fulfills these responsibilities by conducting independent and objective engagements designed to add value and improve the programs and operations of the State Courts System. This is accomplished through internal audits, management reviews and other consulting activities. Other responsibilities of the OIG are to:

- Conduct financial, compliance, electronic data processing, and performance audits and prepare audit reports of the findings.
- Review the actions taken by the State Courts System to improve program performance, meet program standards and make recommendations for improvement.
- Conduct, supervise, or coordinate other activities carried out by the State Courts System for the purpose of promoting economy and efficiency in the administration of, or preventing and detecting fraud and abuse in, its programs and operations.
- Recommend corrective action concerning fraud, abuses, and deficiencies, and report on the progress made in implementing corrective action.
- Ensure effective coordination and cooperation between the Auditor General, federal auditors and other governmental bodies with a view toward avoiding duplication.

As required by Florida Statutes, the OIG conducts engagements in accordance with the International Standards for the Professional Practice of Internal Auditing (*Standards*).

### **Risk Assessment Methodology**

Section 20.055, Florida Statutes, requires the Inspector General to develop long-term and annual audit plans based on the findings of periodic risk assessments. The *Standards* Section 2010, Planning, states the plan of engagements must be based on a documented risk assessment, undertaken at least annually.

The objective of developing an audit plan is to identify and plan for an assessment of program areas utilizing a risk-based approach. Identification of projects using this methodology allows for enhanced efficiency in the planned work. The priority is to provide the maximum benefit to the State Courts System using available audit resources.

We utilized qualitative and quantitative data to assess risk and rank potential audit topics. To perform the risk assessment, we:

- Identified the major auditable units of the State Courts System
- Surveyed senior management regarding their perspectives on risk
- Reviewed results of prior audits, including the level and number of findings and the time elapsed since the prior audit
- Assessed various financial impacts of the auditable units
- Evaluated the complexity of operations of each auditable unit
- Identified any recent significant changes or new initiatives within each auditable unit
- Reviewed the significance of each auditable entity to the core mission of the State Courts System

- Reviewed legislation impacting State Courts System operations
- Assessed the impact of current conditions on the auditable units<sup>1</sup>

Using the results of this risk assessment, we developed the audit plan for fiscal year 2021-2022, including the long-term audit plan.

### **Resource Allocation**

Positions allocated to the OIG consist of an Inspector General, a Senior Internal Auditor, and an Administrative Assistant. For the Inspector General and the Senior Internal Auditor positions, the total direct hours available for audits, consulting activities, and other management requests is calculated at 2,950.

These available hours are after consideration of administrative hours for staff including estimated leave, state holidays, staff training, complaint processing, investigations and other oversight activities. Planned resource allocation is detailed in the table below.

<b>Resource Allocation for Fiscal Year 2021-2022</b>	
<b>Category</b>	<b>Planned Hours</b>
Planned Audits	2,250
Carry Forward Audits	200
Follow-Up Activities	100
Management Requests and Consulting Engagements	400
<b>Total Allocated Hours:</b>	<b>2,950</b>

<sup>1</sup> The ongoing impacts of the COVID-19 pandemic were considered in assessing potential audit topics for the fiscal year. Consideration was also given to direction provided in administrative orders issued in this area.

## **Audit Plan for Fiscal Year 2021-2022**

Based on the results of the risk assessment and available staff resources, the following projects are included in the audit plan. This plan is subject to change based on needs of the State Courts System, the direction of the Chief Justice, changing risks and management requests.

<b>Planned Topic</b>
<b>District Courts of Appeal and Judicial Circuit Courts<sup>2</sup></b>
<b>Information Technology Security</b>
<b>Office of Human Resources</b>
<b>Performance Measures</b>
<b>Federal Grants - Pandemic</b>
<b>Purchasing Card Review</b>
<b>Judges' Conferences Financial Reporting</b>
<b>Audit Follow-Up</b>
<b>Management Requests and Consulting Engagements</b>

### **Complaint Processing and Investigations**

The OIG receives complaints and will process or refer them to the appropriate oversight authority as applicable. Investigations will be conducted as warranted based on viability of complaints received from sources external or internal to the State Courts System.

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<sup>2</sup> District Court of Appeal and Judicial Circuit Court audits to be decided as conditions warrant. Other assignments may be substituted as needed.

## **Long-Term Audit Plan**

Below are the planned topics included on the long-term audit plan (covering fiscal years 2022-2023 and 2023-2024.) These topics will be evaluated annually based on risk assessment procedures conducted to ensure that emerging risks impacting the State Courts System are adequately addressed.

<b>Long-Range Projects</b>
<b>District Courts of Appeal and Judicial Circuit Courts<sup>3</sup></b>
<b>Office of Human Resources</b>
<b>Grants Administration</b>
<b>Court Revenues</b>
<b>Property Management</b>
<b>Purchasing Card Review</b>
<b>Travel Reimbursements</b>
<b>Uniform Data Reporting</b>
<b>Due Process Contracts</b>
<b>Fixed Capital Outlay</b>
<b>Judges' Conferences Financial Reporting</b>

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<sup>3</sup> Court audits are included on each annual audit plan

*The mission of the Office of Inspector General  
is to perform engagements designed to add  
value and support the efficiency and  
effectiveness of the State Courts System*

